

3 Rivers Capital Acquires Majority Stake in Blue Chip Group

Partnership To Accelerate Expansion of Blue Chip Group's Contract Manufacturing and Augason Farms, The Country's Pioneering Leader In Emergency Preparedness Food.

For Immediate Release:

PITTSBURGH/SALT LAKE CITY (December 1, 2021) – Pittsburgh-based private equity firm 3 Rivers Capital (<https://3riverscap.com/>) has acquired a majority stake in Salt Lake City-headquartered Blue Chip Group (<https://www.bluechipgroup.net/>), it was jointly announced by Rob Carskadden, Managing Partner of 3 Rivers Capital and Mark Augason, President of Blue Chip Group.

Founded in 1972 by Phil Augason, Blue Chip Group produces food and beverage products, including Augason Farms, a pioneering brand in the emergency food preparedness category. Continuing his father's legacy of delivering the highest possible quality food storage products within the emergency preparedness category, Blue Chip President Mark Augason has succeeded in building the company into a major supplier of proprietary and white labeled preparedness food with over 300 products manufactured and sold nationwide.

Focused on the acquisition and recapitalization of small and family-owned private companies, the 3 Rivers Capital portfolio encompasses businesses engaged in health and wellness, light manufacturing, infrastructure, facility services and B2B services. The private equity firm is recognized for bringing to its investment companies the necessary leadership and management in all areas of operations and functionality required to grow a standalone business.

The investment from 3 Rivers Capital will create additional operational capacity aimed at accelerating delivery of the company's high-demand preparedness products and dramatically expanding their dry food and beverage contract manufacturing capabilities and capacity.

The 3 Rivers Capital majority stake acquisition follows on the heels of Blue Chip having achieved its highest volume period in its storied history and as the company prepares to meet record demand for its contract manufacturing business and emergency preparedness products in 2022. In addition to its robust e-commerce business with Amazon and other partners, Blue Chip's Augason Farms brand remains a dry food category staple at such major retailers as Walmart and Winco.

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“Blue Chip Group was established by its founder Phil Augason nearly 50 years ago as an immediate resource for families in need and through the steadfast leadership of his son Mark, the company not only became a national business, but led the creation of the preparedness food category. We are extremely proud to build on that historic legacy and join with Mark in even furthering Blue Chip as the preeminent name in preparedness solutions and as a powerhouse in the important area of contract manufacturing,” said Rob Carskadden, Managing Partner, 3 Rivers Capital.

“Our partnership with 3 Rivers Capital comes at a time when Blue Chip Group will soon celebrate 50 years in business. Together with 3 Rivers’ additional support in resources and expertise, Blue Chip Group is poised for an exciting future ahead,” said Augason.

About 3 Rivers Capital:

3 Rivers Capital is a private equity firm focused on control acquisitions of small businesses with EBITDA between \$4-10M. Since its founding in 2005, 3 Rivers has built expertise in acquiring family and entrepreneur-owned businesses that present a clear and compelling opportunity to create significant value. 3 Rivers Capital adds value through active ownership and supportive partnerships with highly motivated management teams. Metz Lewis Brodman Must O’Keefe LLC served as lead legal counsel to 3 Rivers Capital for this transaction. Visit (<https://3riverscap.com/>.)

About Blue Chip Group and Augason Farms:

Founded in 1972 in Salt Lake City, Blue Chip Group, with the Augason Farms brand, is a pioneering leader in the preparedness food industry, sourcing, formulating, and producing the most nutritious emergency foods on the market. With a customer satisfaction ranking on Google Review of 4.5 stars, Augason Farms products are available at many of the country’s most prominent and trusted national retailers. Visit www.augasonfarms.com. Blue Chip Group is also a growing Food and Beverage Contract Manufacturer, with expanding capabilities and capacity. Visit www.bcgcopacking.com

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